



GAIL FARBER, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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IN REPLY PLEASE

REFER TO FILE: PD-1

TO: Each Supervisor

FROM: Gail Farber *Gail Farber*
Director of Public Works

MEASURE R – TRAFFIC RELIEF AND RAIL EXPANSION ORDINANCE HALF-CENT SALES TAX FOR TRANSPORTATION IN THE COUNTY OF LOS ANGELES

On November 4, 2008, the one-half cent sales tax measure known as Measure R - Traffic Relief and Rail Expansion Ordinance was presented to County of Los Angeles (County) voters by the Los Angeles County Metropolitan Transportation Authority (Metro). Based on a recent final vote tally, Measure R passed by a narrow margin. The additional one-half cent sales tax will be collected beginning July 1, 2009, and ending June 30, 2039.

Over the next 30 years, Measure R is projected to generate \$40 billion countywide for a wide variety of transportation projects. In June 2008, the Metro Board of Directors approved an expenditure plan that outlines the expenditure of the funds generated by this Measure into the following five categories:

1. Transit Capital – 40 percent
2. Highway Capital – 20 percent
3. Rail Operations – 5 percent
4. Bus Operations – 20 percent
5. Local Return Program – 15 percent

Approximately \$6 billion of the \$40 billion projected sales tax revenues, less 1.5 percent for Metro's administrative costs, will be allocated to a Local Return Program providing funding to the 88 incorporated cities and to the County on a per capita basis. Metro estimates that the cities and the County will receive \$103 million in Fiscal Year 2009-10, \$1.256 billion in the first 10 years, and \$5.91 billion over 30 years, or an average of \$197 million per year for the next 30 years.

Of the \$103 million available to the cities and the County in Fiscal Year 2009-10, the County will receive approximately \$11 million based on population. We recommend that these funds be distributed to each Supervisorial District in a manner consistent with the Metro per capita formula used to distribute the funds between the 88 cities and the County. Using this formula, the County's funds would be distributed to each Supervisorial District based upon unincorporated area population as follows:

SD	Unincorporated County Population*	Percentage	Total Allocation
1	327,631	33.18	\$3,649,424
2	218,892	22.17	\$2,438,199
3	20,847	2.11	\$232,211
4	161,741	16.38	\$1,801,604
5	258,426	26.17	\$2,878,562
TOTAL	987,537	100.00	\$11,000,000

* based on 2000 Census

Eligible projects under the Local Return Program include major street resurfacing, rehabilitation, and reconstruction; pothole repair; left-turn traffic signals; bikeways; pedestrian improvements; streetscapes; signal synchronization; and transit. Metro will soon draft guidelines for the Local Return Program. Public Works will be working with your staff to develop project recommendations for each supervisorial district as part of the Fiscal Year 2009-10 Budget preparation.

If you have any questions regarding Measure R, or the Local Return Program, please call me at (626) 458-4002 or your staff may contact Patrick DeChellis, Deputy Director, at (626) 458-4004.

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cc: Chief Executive Office (Lari Sheehan)
Executive Office